

Introduced by Senator Denham

February 21, 2003

An act to amend Section 40709 of the Health and Safety Code, relating to air quality.

LEGISLATIVE COUNSEL'S DIGEST

SB 807, as introduced, Denham. Air pollution: emission reduction credit banking.

Existing law designates air pollution control districts and air quality management districts as having the primary responsibility for the control of air pollution from all sources other than vehicular sources, and, subject to the powers and duties of the State Air Resources Board, requires that districts adopt and enforce rules and regulations to achieve and maintain the state and federal ambient air quality standards in all areas affected by emission sources under their jurisdiction. Existing law requires the board of every district to establish by regulation a system by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants be banked prior to use to offset future increases in emissions.

This bill would make a technical, nonsubstantive change to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 40709 of the Health and Safety Code is
2 amended to read:

1 40709. (a) Every district board shall establish by regulation
2 a system by which all reductions in the emission of air
3 contaminants that are to be used to offset certain future increases
4 in the emission of air contaminants shall be banked prior to use to
5 offset future increases in emissions. The system shall provide that
6 only those reductions in the emission of air contaminants that are
7 not otherwise required by any federal, state, or district law, rule,
8 order, permit, or regulation shall be registered, certified, or
9 otherwise approved by the district air pollution control officer
10 before they may be banked and used to offset future increases in
11 the emission of air contaminants. The system shall be subject to
12 disapproval by the state board pursuant to Chapter 1 (commencing
13 with Section 41500) of Part 4 within 60 days after adoption by the
14 district.

15 (b) The system is not intended to recognize any preexisting
16 right to emit air contaminants, but to provide a mechanism for
17 districts to recognize the existence of reductions of air
18 contaminants that can be used as offsets, and to provide greater
19 certainty that the offsets shall be available for emitting industries.

20 (c) Notwithstanding subdivision (a), emissions reductions
21 proposed to offset simultaneous emissions increases within the
22 same stationary source need not be banked prior to use as offsets,
23 if those reductions satisfy all criteria established by regulation
24 pursuant to subdivision (a).

25 (d) This section does not apply to any district that is not
26 required to prepare and submit a plan for attainment of state
27 ambient air quality standards pursuant to Section 40911 if both of
28 the following *criteria* apply to the district:

29 (1) The district is not in a federal nonattainment area for any
30 national ambient air quality standard unless the sole reason for the
31 nonattainment is due to air pollutant transport.

32 (2) An owner or operator of a source or proposed source has not
33 petitioned the district to establish a banking system.

